Medical Provider Network Update
Preventing Disability

ACHIEV Report Out July 24, 2014

Washington State Department of Labor & Industries

Network Enrollment and Application

Network Enrollment (Comparing April 2013 to June 2014)

Status	Providers 4-13	Providers 6-14
Approved	**13,143**	**20,311**
Provisional/Other	**1,813**	**240**
Pending (Applicant)	**3,932**	**1,287**
TOTAL	**18,888**	**21,838**
Withdrawn	**N/A**	**1520**
Denied	**59**	**115**

Appeals

Total appeals:	23
Complete (not in network):	18
Complete (in network):	2
In Process:	3

Washington State Department of Labor & Industries

Medical Provider Network Cost Impact

- Claim costs are not a factor in the review of provider applications. However, data indicates low quality providers have worse outcomes and higher-than-average claims costs for injured workers.

- Projected impact of removing low quality providers using matching on injury type and body party
  - $16.5 million first year, and $33 million annually

- Actual impact
  - $34.7 Million Annual

Washington State Department of
Labor & Industries

Medical Provider Network Impact

- **Historical comparison of Time loss associated with attending providers vs non-network providers**
  - 30 highest cost groups matched by Injury Nature and Body Part
    - Time-loss claims only. Includes severe/complex claims: e.g. traumatic injuries to bones, nerves, spinal cord for back; Intercranial injuries for skull; musculoskeletal system and connective tissue disease and disorders for shoulder.
    - Values not developed to ultimate
  - Average of Non-MPN Group is 36% higher

Fiscal-Accident Year Days of Time loss Paid						
Year	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**
Non-MPN	420	322	295	327	382	367
All Attending Providers	267	261	259	259	269	280

Washington State Department of Labor & Industries

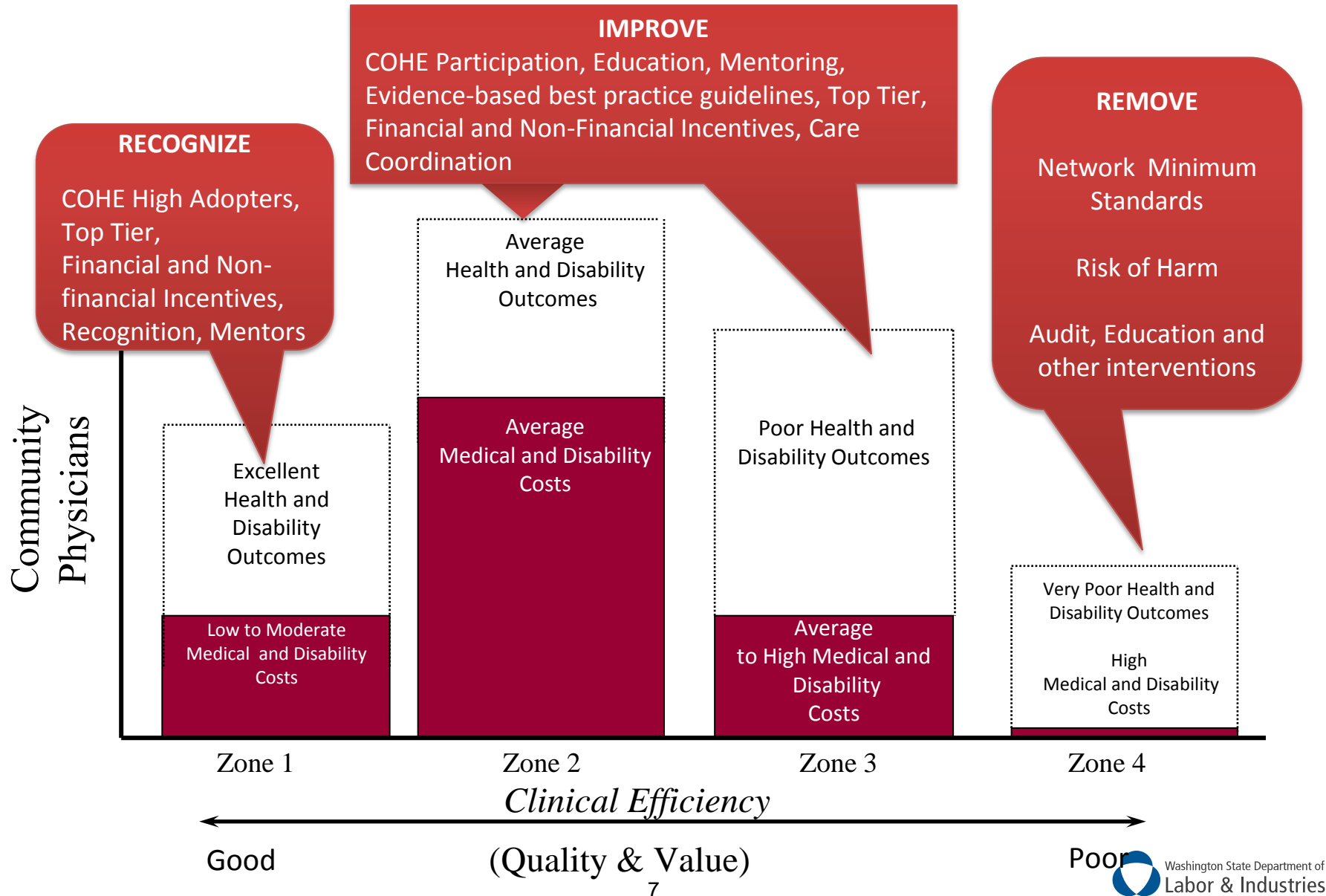# Medical Provider Network: Next Phase

- What are the ongoing policy level MPN issues that could benefit from ACHIEV guidance? (From April 2014)
  - Report out on impact (awaiting actuarial data)
  - Future Provider types
  - Proposals to Adjust Review Criteria or process in WAC
  - Re-credentialing

- Given success of Attending Provider MPN, Health Care Quality Vision, and Resources, what network expansion, if any should be considered?
  - Todays Discussion Purpose: Gather feedback on what information would be necessary to provide quality feedback and input
  - Remaining Slides to set Context

Washington State Department of
Labor & Industries
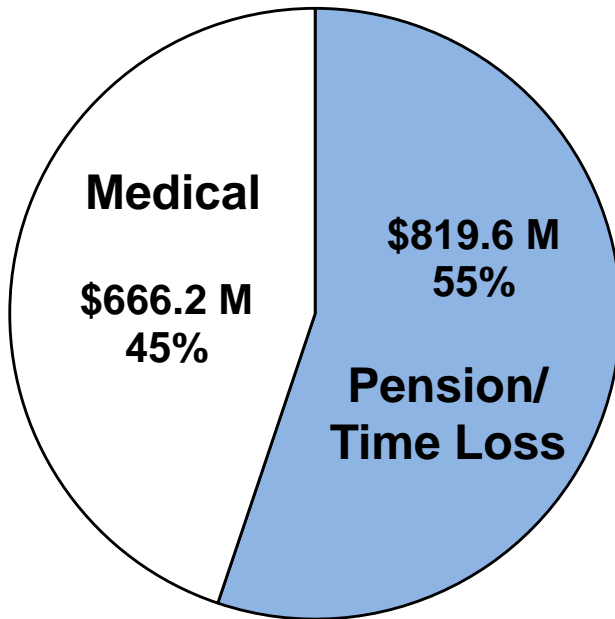
L&I Health Care Quality Expansion Vision

- **Set Minimum Standards**
  - Medical Provider Network and Risk of Harm
- **Incentivize Collaborative Model and Occupational Best Practices**
  - COHE Expansion
  - Top Tier
  - Evidence based treatment guidelines
- **Promote/Identify Evidence Based Policies and Practices**
  - Evidence Based Treatment Guidelines
  - Functional Recovery Questionnaire/Intervention
  - Activity Coaching
  - Surgical Best Practice, Ortho-Neuro Surgical Quality Project
- **Identify areas of ongoing need for system innovation**
  - Behavioral health
  - Long term disability/Chronic pain

Washington State Department of
Labor & Industries

Distribution of Quality of Care

RECOGNIZE

COHE High Adopters, Top Tier, Financial and Non-financial Incentives, Recognition, Mentors

IMPROVE

COHE Participation, Education, Mentoring, Evidence-based best practice guidelines, Top Tier, Financial and Non-Financial Incentives, Care Coordination

REMOVE

Network Minimum Standards

Risk of Harm

Audit, Education and other interventions

Community Physicians

Average Health and Disability Outcomes

Average Medical and Disability Costs

Poor Health and Disability Outcomes

Excellent Health and Disability Outcomes

Low to Moderate Medical and Disability Costs

Average to High Medical and Disability Costs

Very Poor Health and Disability Outcomes

High Medical and Disability Costs

Zone 1   Zone 2   Zone 3   Zone 4

Clinical Efficiency

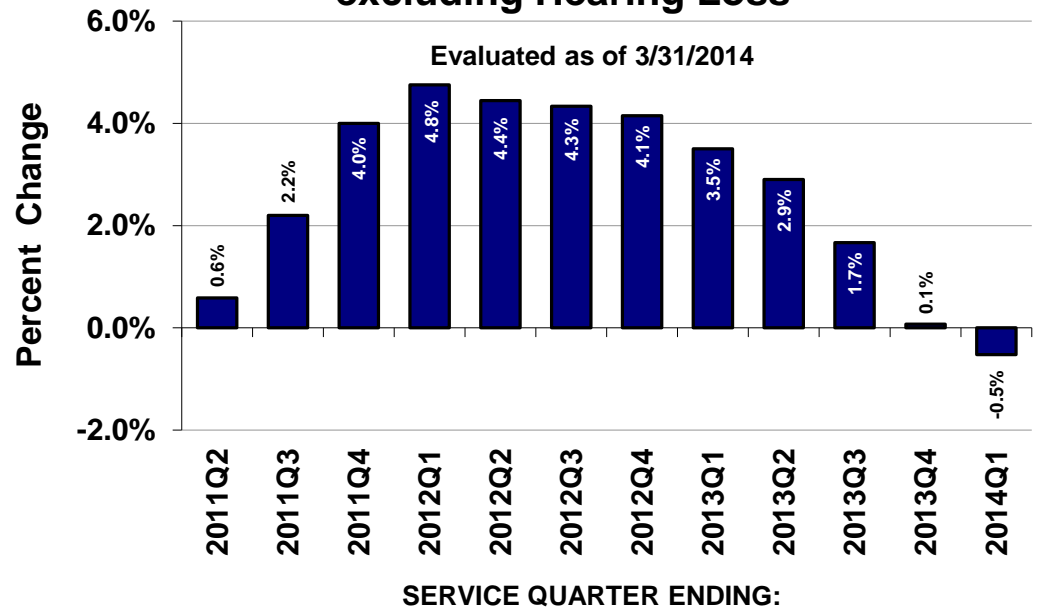Good   (Quality & Value)   Poor

Washington State Department of Labor & Industries

Size and Growth of the Medical Aid Fund

Benefits Paid for Accident Year Ending 3/31/14

Pie chart:
- Medical: $666.2 M, 45%
- Pension/Time Loss: $819.6 M, 55%

L&I Annualized Medical Cost Growth
excluding Hearing Loss

Evaluated as of 3/31/2014

Percent Change

Service Quarter Ending	Percent Change
2011Q2	0.6%
2011Q3	2.2%
2011Q4	4.0%
2012Q1	4.8%
2012Q2	4.4%
2012Q3	4.3%
2012Q4	4.1%
2013Q1	3.5%
2013Q2	2.9%
2013Q3	1.7%
2013Q4	0.1%
2014Q1	-0.5%

SERVICE QUARTER ENDING:

Washington State Department of Labor & Industries

Helping Workers Heal and Return to Work Dashboard

Status	Focus Area	Key Indicator	Baseline 2012	1st Qtr 2014	Target by June 2015
🟢	Overall indicator	**Decrease number of long-term disability (LTD) claims**	436 claims (out of every 10,000 accepted claims)	**415 claims** (out of every 10,000 accepted claims)	377 claims (out of every 10,000 accepted claims)
🔺	Culture of return to work	**Increase return to work in 6 months**	832 (out of every 1,000 new TL claims)	**833** (out of every 1,000 new TL claims)	850 (out of every 1,000 new TL claims)
🔺	Reduce preventable disability	**Decrease time-loss persistence from three to six months**	70.9%	**70.1%**	62%
🔺	Collaborate to Reduce system delays	**Decrease *average* days of time-loss paid at three months *from the first time-loss payment.***	56.1 days	**57.4 days**	54 days

🟢	green	making progress towards target
🔺	yellow	not making consistent progress towards target
🟥	Red	moving consistently in wrong direction

Washington State Department of Labor & Industries

L&I Health Care Quality Expansion Vision

- **Set Minimum Standards**
  - Medical Provider Network and Risk of Harm

From Previous Prioritization Meetings:
  - PT/OT
  - Psychologists
  - Border States

DISCUSSION:

- **Values or Criteria for Consideration in Network Expansion**

- **Information Needed for Network Expansion Discussion**

Washington State Department of
Labor & Industries